

SCN No 11/2026-27/COMM/N.S./Adjn/MCH

	<p>कार्यालय: प्रधान आयुक्त सीमा शुल्क, मुन्द्रा, सीमा शुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421</p> <p>OFFICE OF THE PRINCIPAL COMMISSIONER/COMMISSIONER OF CUSTOMS, CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421</p> <p>PHONE:02838-271426/271423 FAX:02838-271425</p> <p>Email: adj-mundra@gov.in</p>	 <p>आज़ादी का अमृत महोत्सव</p>
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DIN:- 20260571MO0000722597**Show Cause Notice No.:** 11/2026-27/COMM/N.S./Adjn/MCH**SHOW CAUSE NOTICE****[Issued under Section 28(4) read with Section 124 of the Customs Act, 1962]**

Whereas, on the basis of information received from UCO Bank, Vishakhapatnam and UCO Bank, Jaipur, a case was booked by the Customs Preventive Commissionerate, Jodhpur (H.Q. at Jaipur) in respect of fraudulent remittances of high magnitude (more than Rs. 400 crores) to overseas firms during the period March-2021 to September-2021, shown to be in consideration to import of services. From the investigation conducted, it appeared that, to defraud the exchequer, a racket/gang was formed which adopted a novel modus operandi under which several bogus/fake companies/firms were created and several bank accounts were opened to fraudulently remit amounts of high magnitude to Hong Kong, Singapore and UAE based firms by showing the same to be payments against import of services (which were never actually imported and were mere paper transactions without any actual supply of service) with the ulterior motive of using the fraudulent remittances for funding illegal imports of Gold, Diamonds and other precious stones/metals etc.

2. The investigation was initiated upon revelation that an aggregate amount of Rs. 414,09,03,259/- (comprising Rs. 348,30,16,803/- and Rs. 65,78,86,456/-) had been remitted by two entities, namely M/s Belstar Techno Solutions (OPC) Private Limited and M/s Visual Birds Technology, Jaipur, purportedly towards the import of IT-related services such as animations, graphics, designs, 2D/3D works, and multimedia audio-visual content. Verification of records disclosed that both entities were registered at the same address in Jaipur; however, field inquiry established that both firms were non-existent at the declared premises. Preliminary investigation further revealed that M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology were merely paper entities, created for the purposes of facilitating outward remittances, and had never actually imported any IT services as declared. It also came to light that the bank accounts of these entities had received substantial payments from firms engaged in the diamond and gold trade, despite the fact that no corresponding import of services such as animations, graphics, designs, 2D, 3D, or multimedia audio-visuals had ever taken place in respect of the purported foreign service providers.

3. During the course of investigation, it emerged that a racket comprising a large number of fictitious firms had been created and operated with the intent to project illicit transactions as genuine business activities. These firms were fraudulently shown to be engaged in gold and diamond trading, and bogus invoices were generated in their names to camouflage the sale and circulation of smuggled gold and diamonds in the domestic market, thereby giving such transactions an appearance of legitimacy. The investigation further established that the proceeds derived from the sale of such smuggled goods were systematically routed through multiple business accounts, in a layered manner, to obscure the trail of illicit funds. Ultimately, these funds were transferred into the bank accounts of shell entities such as M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology. It was further revealed that these dummy entities thereafter remitted substantial amounts to UAE-, Singapore-, and Hong Kong-based firms, which were being used to finance the illegal import of gold, diamonds, and other precious stones as well to undervalue various goods being imported into India, in contravention of the provisions of the Customs Act, 1962, the Foreign Exchange Management Act, 1999, and other applicable laws.

4. During the investigation, it was revealed that Shri Ravindra Kumar, Chartered Accountant, had issued bogus Form 15CB Certificates in connection with the outward remittance of funds from M/s Belstar Techno Solution (OPC) Pvt. Ltd. and M/s Visual Birds Technology, without conducting any verification of the underlying agreements, supporting documents, or the books of accounts of the said entities. Scrutiny further disclosed that, out of the total Form 15CB Certificates issued by him, certificates covering remittances amounting to Rs. 75,09,51,102/- pertained to transfers made to **M/s DP Design Ltd., Hong Kong**. In his statement (**RUD-1**) recorded under the statutory provisions, Shri Ravindra Kumar admitted that the funds so remitted were utilized for the smuggling of gold and diamonds by various syndicates operating from Mumbai and Gujarat. Intelligence inputs further revealed that one of the Directors of M/s DP Design Ltd., Hong Kong is Shri Piyush Nolakha, a resident of Jaipur, Rajasthan, whose examination was considered vital for the ongoing investigation. Consequently, a Look-Out Circular (LOC) dated 19.07.2024 was issued against him. In pursuance of the said LOC, Shri Piyush Nolakha was off-loaded by the Immigration Authorities on 22.07.2024 while attempting to travel to Dubai from International Terminal-2, Jaipur, and was thereafter handed over to the Customs Officers, Jaipur, for further action in accordance with law.

4.1 During the ongoing investigation, the statement of Shri Piyush Nolakha was recorded on 22.07.2024 (**RUD-2**). It was revealed during investigation that M/s DP Design Ltd., Hong Kong had been incorporated by Shri Piyush Nolakha himself, and that he had signed all documents pertaining to the incorporation of the said entity and had personally interacted with the concerned bank authorities regarding the opening and operation of its bank accounts. Further, the email ID "dpdesign1231@gmail.com", furnished to Wing Lung Bank, Hong Kong as the official email of M/s DP Design Ltd., was found to be registered on the mobile phone of Shri Piyush Nolakha, and all communications from the said bank concerning the company were being handled by him through this email ID. In addition to M/s DP

Design Ltd., Hong Kong, Shri Piyush Nolakha had also created multiple other entities abroad, such as Villa Morae Co. Ltd., Xclusive Co. Ltd., and others.

4.2 From the statements, records, and evidence gathered, it was established that M/s DP Design Ltd., Hong Kong is an offshore shell entity beneficially owned and controlled by Shri Piyush Nolakha, created and operated entirely from India without any genuine business activity. The incorporation of such overseas entities by individuals based in India, solely for the purpose of facilitating illegal outward remittances and evasion of customs duty, corroborates the investigation findings that these firms were created by the nexus purely to defraud the Government exchequer. From the investigation conducted in the cases of M/s Belstar Techno Solutions (OPC) Private Limited and M/s Visual Birds Technology, Jaipur, it emerged that Shri Piyush Nolakha played an active and central role in the conspiracy. The evidence indicated that he was directly involved, along with other co-accused persons, in facilitating outward remittances amounting to Rs. 75,09,51,102/-, which were subsequently utilized for the illegal import of gold, diamonds, and other precious stones, etc. In view of the above facts and circumstances, Shri Piyush Nolakha was arrested on 22.07.2024 under Section 104 of the Customs Act, 1962, and produced before the Hon'ble Economic Offence Court, which remanded him to Departmental/Police Custody up to 30.07.2024.

4.3 In his statement dated 24.07.2024 (**RUD-3**), Shri Piyush Nolakha admitted that M/s D.P. Designs Ltd., Hong Kong is a dummy/paper entity shown as a service provider, and that the company had been handed over to Shri Ashish Jain and others for a commission. Subsequently, in his statement dated 25.07.2024 (**RUD-4**), Shri Piyush Nolakha further admitted as under:

(a) That apart from M/s DP Design Ltd., he had also created other entities such as Dipika Gems, Xclusive Co. Ltd., Villa Morae, and Elite International in Hong Kong, and that all such entities had been handed over to Shri Ashish Jain and other persons for their use.

(b) That he had handed over his Jaipur-based entities, namely M/s DS Exports and M/s La Solaitaire, to Shri Ashish Jain and his associates for importing precious stones from his Hong Kong firm, M/s DP Design Ltd., into India. He initially denied direct involvement in these entities in his statement dated 24.07.2024; however, this denial stood contradicted when he was shown import documents such as Bills of Entry, invoices, and related records pertaining to the import of semi-precious stones (Emerald) from M/s DP Design Ltd., Hong Kong to M/s DS Exports, Jaipur, which had been resumed during search proceedings.

(c) That the signatures appearing on import documents under the name "Dipika" were made by him, and that the various forms of the signature "Dipika" found on the documents were all executed by him.

4.4 From his mobile phone, screenshots were recovered pertaining to the "Inward Remittance Enquiry" of M/s DP Design Ltd., Hong Kong, reflecting inward

remittances received from M/s Belstar Techno Solutions (OPC) Pvt. Ltd., Jaipur, Visakhapatnam, and Bhubaneswar (**RUD-5**). Details of some sample screenshots are as follows:

Remitter	Remittee	Settlement Date	Remittance Amt. in USD
Belstar Techno Solution (OPC) Pvt. Ltd, Vishakhapatnam	DP Design Ltd, Hong Kong	29.04.2021	98882
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	23.04.2021	62447
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	21.04.2021	55747
Belstar Techno Solution (OPC) Pvt. Ltd, Bhubaneswar	DP Design Ltd, Hong Kong	21.05.2021	81342
Belstar Techno Solution (OPC) Pvt. Ltd, Vishakhapatnam	DP Design Ltd, Hong Kong	12.04.2021	65832
Belstar Techno Solution (OPC) Pvt. Ltd, Vishakhapatnam	DP Design Ltd, Hong Kong	29.03.2021	85900
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	29.03.2021	78347
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	26.03.2021	78751
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	23.03.2021	63501
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	22.03.2021	63497
Belstar Techno Solution (OPC) Pvt. Ltd, Bhubaneswar	DP Design Ltd, Hong Kong	15.06.2021	80941
Belstar Techno Solution (OPC) Pvt. Ltd, Bhubaneswar	DP Design Ltd, Hong Kong	15.06.2021	71947

4.5 In addition to the above, screenshots of Foreign Inward Remittance details relating to his other Hong Kong-based entities Dipika Gems, Hong Kong and Elite International, Hong Kong were also recovered from the mobile phone of Shri Piyush Nolakha. In this regard, in his statement dated 25.07.2024, he made the following admissions:

- (a) That he used to monitor the nature and pattern of transactions undertaken in the bank accounts of M/s DP Designs Ltd., Hong Kong; Dipika Gems, Hong Kong; and Elite International, Hong Kong, so that he could determine and levy his commission accordingly.
- (b) That Shri Ashish Jain had shared the said documents/screenshots with him so that he could respond to, and manage, any banking-related queries that might arise in respect of these entities.

(c) That he obtained access to the bank accounts of M/s DP Designs Ltd., Hong Kong; Dipika Gems, Hong Kong; and Elite International, Hong Kong from the actual operators of these firms, namely Shri Ashish Jain and others, and used such access to download bank statements for monitoring the volume and frequency of transactions, in order to assess the commission chargeable by him.

(d) That he had installed the Citibank Hong Kong mobile banking application on his mobile phone and used it to download bank statements of M/s Villa Morae Ltd., Hong Kong, for the purpose of monitoring the quantum of transactions undertaken in that entity as well.

4.6 Further, screenshots recovered from the mobile phone of Shri Piyush Nolakha contained WhatsApp chat exchanges with a person named Shri Pradeepji Gupta. In this regard, Shri Piyush Nolakha admitted in his statement dated 25.07.2024 that he had facilitated the transfer of funds from Shri Pradeep Gupta to the firm M/s Shriji Impex, maintained with Equitas Small Finance Bank (IFSC: ESFB0009014). It had already been established during earlier stages of the investigation that M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology had received a substantial portion of their funds from M/s Shriji Impex, which were subsequently remitted abroad to overseas entities such as M/s DP Design Ltd., Hong Kong. With respect to various documents pertaining to M/s Elite International, Hong Kong, recovered from his mobile phone, Shri Piyush Nolakha stated in his statement dated 25.07.2024 that Elite International, Hong Kong is his own firm; that he is the sole director, and that the entity has been utilized in the same manner as his other offshore company, M/s D.P. Designs Ltd., Hong Kong. He further admitted that he currently operates another overseas entity, M/s Villa Morae, Hong Kong, which is also being used for similar purposes. In respect of screenshots of transactions recovered from his mobile phone showing that his firm M/s Dipika Gems, Hong Kong had made payments to M/s Fortune Gems, Hong Kong, Shri Piyush Nolakha admitted in his statement dated 25.07.2024 that Fortune Gems is engaged in the diamond trade and that Shri Ashish Jain had procured diamonds from Fortune Gems, Hong Kong through Dipika Gems, Hong Kong. He further stated that the screenshot had been shared with him for the purpose of informing him that diamonds had been purchased from a firm belonging to Shri Ashish Jain's brother-in-law, i.e., Fortune Gems.

4.7 Furthermore, with reference to invoices of Elite International, Hong Kong recovered from his mobile phone, Shri Piyush Nolakha stated in his statement dated 25.07.2024 that the said invoices were photographed/captured by him using his mobile phone during an in-person meeting with Shri Ashish Jain and Shri Rajesh Chopra, owing to a query raised by the concerned bank.

4.8 Shri Piyush Nolakha, in his statement dated 26.07.2024 (**RUD-6**), further admitted that the Annual Report and Financial Statements of M/s DP Design Ltd., Hong Kong for the financial year ended 31.03.2023, which were recovered from his mobile phone, had been signed by him in the capacity of the sole Director of the said company. He also reiterated on multiple occasions during the course of his

statements that he had been operating all his overseas firms from India itself, without undertaking any genuine business activity abroad, thereby confirming that these entities were effectively shell or paper companies created for facilitating illicit financial transactions.

4.9 Shri Piyush Nolakha in his further statement dated 27.07.2024 (**RUD-7**) disclosed the following facts:

(a) He stated that he is currently continuing to manage and operate M/s DP Design Ltd., Hong Kong. Although the earlier bank accounts of DP Design Ltd., Hong Kong were closed by the concerned bank approximately one year ago, he subsequently opened a new bank account with the Bank of East Asia, Hong Kong. He also confirmed that he presently maintains active bank accounts of M/s Villa Morae Ltd., Hong Kong with Citibank, Hong Kong, and of M/s Xclusive Company Ltd., Hong Kong with the Bank of East Asia, all of which were opened recently.

(b) From his mobile phone, several fair invoices and draft invoices issued in the name of the firms created by him such as DP Design Ltd., Hong Kong, Elite International, Hong Kong, etc. were recovered. In this regard, he admitted that he had prepared these invoices himself, and that the funds received into his bank accounts were being adjusted or settled against certain entries through such documents.

(c) He further stated that he had arranged for the creation of a website for DP Design Ltd., Hong Kong, as he was managing and operating the said company from India. To avoid queries and objections from banks regarding inward remittances, he deliberately listed multiple categories of business activities on the website such as marble trading, IT services, digital services, consultancy, etc. to provide an appearance of legitimacy to remittances received from various Indian firms engaged in different lines of business. Similarly, firms like M/s Belstar Techno Solution (OPC) Pvt. Ltd. and M/s Visual Birds Technology had described their remittances as payments for digital/IT services, despite having made no actual imports of services.

(d) He disclosed that various individuals and companies in India such as gold bullion traders, marble importers, and diamond importers frequently require funds overseas for purposes such as financing illegal imports of goods or undervaluation of imported goods. To facilitate these activities, it is necessary for them to have dummy overseas firms. He admitted that he had created DP Design Ltd., Hong Kong; Villa Morae Ltd., Hong Kong; Elite International, Hong Kong; Xclusive Co. Ltd., Hong Kong; and Dipika Gems, Hong Kong precisely for this purpose. These entities receive inward remittances from multiple Indian firms. He further admitted that the Indian firms remitting funds under the guise of Digital/Online Services such as Belstar Techno Solution (OPC) Pvt. Ltd. and Visual Birds Technology were merely dummy entities, with no genuine business activity or import of any goods/services. The remittances made by such firms were entirely without any underlying supply. He admitted that once the funds were received into the accounts of his Hong Kong-based entities, he would rotate and transfer such funds to various overseas companies as

required by his clients. The funds received from Belstar Techno Solution (OPC) Pvt. Ltd. and Visual Birds Technology had been used directly or through layered transfers to diamond and gold trading firms abroad. Funds received from marble companies were routed to various firms based in Italy and other parts of Europe. All such fund transfers were executed by him through online banking from India.

(e) He admitted that all his bank accounts are operated online from India only, and that he has never visited Hong Kong for any business-related activity, apart from visits made for the purpose of bank account opening.

(f) In respect of WhatsApp chats recovered from his phone between him and Shri Manish Lodha, wherein a reference was made to a person named Shri Dinesh Lodha, he stated that Shri Dinesh Lodha, a diamond trader residing in Delhi, had remitted funds to his overseas firms on two occasions to meet his requirement of funds abroad. The reference to “3 Kg” in the chats signified Rs. 3 lakhs, being the commission payable to him (Shri Piyush Nolakha) for facilitating the overseas remittance.

(g) In respect of credit entries from M/s Lakshya Exports in his Kotak Mahindra Bank account and screenshots of invoices relating to the export of rough diamonds from M/s Dipika Gems, Hong Kong to Lakshya Exports, Surat, recovered from his phone, he admitted that he had signed the invoices on behalf of Dipika Gems for the purpose of showing exports of lab-grown rough diamonds, deliberately overvalued in order to facilitate illegal outward remittances. He further admitted that Lakshya Exports is the firm of the brother-in-law of Shri Rajesh Chopra, and that he had received commission payments from Lakshya Exports into his Kotak Mahindra Bank account.

4.10 Shri Piyush Nolakha in his further statement dated 28.07.2024 **(RUD-8)** disclosed the following facts:

(a) He admitted that the bank account of Villa Morae Ltd., Hong Kong with Citibank, Hong Kong was opened approximately one and a half years ago, and that the bank statements for the period March 2023 to June 2024 were recovered during the forensic examination of his mobile phone.

(b) Upon being questioned regarding the purpose of the funds rotation received from *Belstar Techno Solution (OPC) Pvt. Ltd.* and *Visual Birds Technology* to various diamond and gold trading companies, he stated that such funds were utilised for financing illegal import of goods/undervaluation of imported goods. He further stated that persons namely Ashish Jain (Chordiya), Manish Lodha and Rajesh Chopra have an overseas nexus and are involved in illicit procurement and smuggling of diamonds and gold into India through unauthorised channels. Although he is unaware of the exact smuggling route, he stated that he was informed by them that diamonds and gold brought into India using the funds remitted through the aforesaid companies are illegally absorbed by Surat and Mumbai-based gold bullion and diamond traders.

(c) When asked about the person(s) signing export documents or invoices on his behalf in Hong Kong, he stated that regulatory requirements in Hong Kong are relatively lenient and that he can direct any known person residing in Hong Kong to submit documents on his instructions. Such documents are forwarded by him from India through the internet to acquaintances in Hong Kong, who then submit them to the concerned authorities.

(d) When questioned about the companies of *Sh. Dinesh Lodha* from which funds were remitted to his (Piyush Nolakha's) overseas firms, he stated that he had remitted funds overseas through hawala channels. However, he does not recall the exact company or account used in the said transactions.

4.11 Shri Piyush Nolakha, in his further statement dated 29.07.2024 (**RUD-9**), disclosed the following facts:

(a) He admitted that he solely operates his overseas firms without any partner. When confronted with printouts of emails from Wing Lung Bank, containing queries raised by the bank regarding various transactions in his accounts (as recovered from his mobile phone), he stated that the bank had found the transactions suspicious and therefore sought clarifications. He further admitted that he had furnished false and misleading replies to the bank in order to prevent deactivation of his account. He further stated that the firms referred to in the said emails include (i) India-based entities that had remitted funds to his Hong Kong-based firms for illegal import/undervaluation of goods, and (ii) overseas entities to whom he had transferred funds as per the requirements of his clients.

(b) Based on the recent bank statements produced by Shri Piyush Nolakha, a summary of foreign inward remittances from India-based firms was prepared. He admitted that he had received USD 1,847,847.65 during February 2024 to June 2024 in the bank account of Villa Morae Ltd., and USD 266,217.10 during June 2024 in the bank account of Xclusive Co. Ltd., from India-based firms. He further stated that the purpose of these remittances was merely to route funds through hawala channels for illegal import of goods, similar to past remittances received from *Belstar Techno Solution (OPC) Pvt. Ltd.*

5. From the cumulative facts, records, statements and evidence gathered during the investigation, it stands conclusively established that Shri Piyush Nolakha, resident of Jaipur, has been actively engaged in the incorporation, operation and management of multiple offshore entities based in Hong Kong, including M/s D.P. Designs Ltd., M/s Dipika Gems, M/s Elite International, M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., all of which were created, owned and controlled by him and operated from India. Examination of Form 15CB certificates revealed that ₹75.09 Crores had been remitted by M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology in favour of M/s D.P. Designs Ltd., Hong Kong, prompting extension of the investigation to Shri Nolakha, whose voluntary statements were recorded under Section 108 of the Customs Act, 1962 between 22.07.2024 and 28.07.2024. In his detailed admissions, corroborated by digital and physical evidence

seized from his residence, including mobile phones, electronic devices, screenshots of remittance transactions, draft documents of dummy firms, WhatsApp communications with accomplices such as Shri Pradeep Gupta, and even the rubber stamp of M/s D.P. Designs Ltd., Shri Nolakha unequivocally confessed to incorporating and operating the aforesaid offshore entities as dummy vehicles solely for receiving illegal remittances from numerous Indian firms without any underlying supply of goods or services, and for routing such funds to suppliers and traders of gold, diamonds and precious stones with the intent to facilitate undervaluation, smuggling and evasion of lawful duties. He further admitted that the purpose of these entities was not genuine trade but the rotation of funds outwardly projected as payments for "IT/Digital Services", which, in reality, were diverted for financing the import of undervalued or smuggled gold and other contraband into India. He also disclosed that these activities were undertaken in concert with Shri Ashish Jain of Noida, from whom he regularly received commission payments in cash in India for arranging and facilitating such transactions. Analysis of data extracted from his seized devices **(RUD-10)**, including WhatsApp chats, banking records and remittance screenshots, further revealed substantial outward foreign exchange remittances made by various Indian entities to M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd. between 06.06.2024 and 28.06.2024, including USD 266,217.09 received by M/s Xclusive Co. Ltd. from 19 Indian firms and USD 1,847,847.55 received by M/s Villa Morae Co. Ltd. from 20 Indian firms, all of which were found to be fictitious transactions executed by Shri Nolakha without any actual supply of goods or services. The above facts collectively demonstrate his conscious, wilful and deliberate contravention of the provisions of the Customs Act, 1962 and other applicable laws, with the clear objective of defrauding the Government exchequer and facilitating the illicit import and circulation of smuggled goods.

6. Analysis of the digital evidence retrieved from the seized electronic devices of Shri Piyush Nolakha, including WhatsApp communications, banking records, and screenshots pertaining to cross-border remittances, revealed that M/s BHM Marble and Granites RIICO Ind. Area, Bidiyad, Makrana, Nagaur Rajasthan 341542, a Proprietorship firm of Shri Himmat Singh Tanwar has also effected outward foreign exchange remittances in favour of two overseas entities, namely M/s Villa Morae Co. Ltd., Hong Kong, and M/s Xclusive Co. Ltd., Hong Kong. The verified transaction records indicate that remittances were made to M/s Xclusive Co. Ltd., Hong Kong, including an amount of USD 9,025.41 on 19.06.2024 and another amount of USD 18,977.56 on 25.06.2024, both originating from the bank account of M/s BHM Marble and Granites. Further, the analysis of the extracted data established that a remittance of USD 47,888.06 was also made by M/s BHM Marble and Granites to M/s Villa Morae Co. Ltd., Hong Kong. The investigation conducted in the cases related to M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology conclusively indicates that the outward foreign exchange remittances made to both these Hong Kong-based entities were sham transactions, lacking any underlying commercial substance, and were orchestrated as part of a fraudulent mechanism devised by Shri Piyush Nolakha to illicitly transfer funds outside India under the guise of import-related payments.

6.1 In view of the above facts and the material evidence recovered during the investigation, it prima facie appears that the outward foreign exchange remittances effected from the bank accounts of M/s BHM Marble & Granite in favour of the Hong Kong-based entities, namely M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., were devoid of any underlying legitimate commercial transactions and were executed in contravention of the provisions of the Customs Act, 1962, the Foreign Exchange Management Act, 1999, and other allied statutory frameworks governing cross-border payments. The nature of these remittances, the absence of corresponding import documentation, and the linkages established through the digital evidence retrieved during the investigation collectively indicate that the Noticee also appears to have been involved in effecting illicit outward remittances under the false pretext of import-related payments.

6.2 Upon detailed scrutiny and further examination of the documents retrieved from the mobile phone of Shri Piyush Nolakha, it was revealed that four invoices had been issued by an Italy-based supplier, M/s Figli Gemignani & Vanelli S.r.l., Italy for marble blocks allegedly imported by his associated firms. These invoices reflected the actual transaction values as well as the specific container numbers in which the goods were loaded. Subsequently, for the same consignments, Shri Piyush Nolakha caused invoices to be raised from his associated Hong Kong-based entities, namely M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd.etc., in favour of India-based firms, including the Noticee, importer. These Hong Kong-based invoices pertained to the same container number, seal number and quantity; however, the values reflected therein were materially at variance with the values declared by the Italy-based supplier, thereby indicating possible under-valuation and misdeclaration of the true transaction value of the imported goods. These discrepancies, coupled with the sham remittances traced to the Hong Kong-based entities, provided reasonable grounds to suspect large-scale undervaluation of imported marble blocks and systematic evasion of customs duty by multiple importers, including the Noticee. In view of these findings, separate investigations have been initiated against the concerned Indian entities, including the Noticee, under the applicable provisions of the Customs Act, 1962.

6.3 In this context, the statement of Shri Himmat Singh Tanwar, Proprietor of M/s BHM Marble & Granite, E-175(A), Industrial Area, Bidiyad, Nagaur (hereinafter referred to as “the importer” or “the Noticee”), was recorded on 20.12.2024 (**RUD-11**). In his statement, he inter alia stated that the unit is primarily engaged in the trading of marble blocks and, at times, marble slabs, which are procured both from the local market and through imports. Upon being asked regarding their import operations, he stated that the imports were arranged through brokers/markers, mainly Shri Piyush Nolakha of Jaipur, with whom he was introduced by Shri Ashish Toshniwal at Kishangarh. He stated that orders for import of rough marble blocks were generally placed over phone with the broker, usually six months in advance, depending on requirement; that payments for such imports were normally made at the time of arrival of the consignment at the port; that on occasions, due to shortage of funds, payment was made subsequently with mutual understanding; and that the broker

used to send import invoices and other related documents to the Noticee's email ID **bhmmarbles0801@gmail.com**. He also affirmed that he had never travelled abroad.

Further, during the said statement, Shri Himmat Singh Tanwar admitted that he had imported marble blocks and marble slabs in the name of his firm and in the name of his wife's firm through the Hong Kong based firms of Shri Piyush Nolakha, namely M/s Elite International, M/s D.P. Designs Ltd., M/s Villa Morae Co. Ltd., M/s Xclusive Co. Ltd., and M/s Dipika Gems. He stated that the imports were cleared at Mundra Port after assessment and payment of applicable customs duty. He confirmed that, during the period 2019-20 to 2024-25, a total of 23 consignments of Marble Blocks (CTH 25151210) and Polished Marble Slabs (CTH 68022190), invoiced at USD 200 to USD 305 per MT and USD 60 per sqm / USD 0.7041-1.3234 per kg, involving a total assessable value of ₹3,09,36,508/-, were imported by him through the aforesaid Hong Kong entities.

When questioned regarding the import of goods from Hong Kong despite the goods being of Italian origin, he explained that direct exporters supply only large lots and, being a small-scale importer, he was dependent upon brokers; that it was entirely up to the brokers to source the goods from the suppliers of their choice. On being asked about the variation in prices of imports made by his and his wife's firm, he attributed the price differences to quality issues such as broken or low-grade material.

During his examination, he was confronted with the statements of Shri Piyush Nolakha dated 27.07.2024, 28.07.2024 and 29.07.2024, wherein it was stated that the Hong Kong-based firms, including those used by the Noticee, were merely shell entities utilised for remitting funds from India without actual imports. After reading those statements, Shri Himmat Singh Tanwar acknowledged his signature on their last pages but reiterated that all imports were physically made by him from the Hong Kong firms, that the consignments were duly examined and given 'Out of Charge' by Customs after assessment, and that all payments for such imports were made by him through proper banking channels.

When questioned regarding the revelation made by Shri Piyush Nolakha that marble traders, including the Noticee, were importing goods at suppressed values and that his Hong Kong firms were used to channel funds abroad, Shri Himmat Singh Tanwar denied the allegation. He stated that the valuation of goods imported by him through the firms of Shri Piyush Nolakha was as per prevailing market rates and comparable across the marble trade. He asserted that imports were duly assessed by Customs and, therefore, he did not agree with the statement of Shri Piyush Nolakha. However, he added that if, during investigation, any discrepancy was found in the value of goods imported by him, he is willing to pay any differential duty and cooperate fully with the proceedings. He further submitted that he was unaware of the other business activities of Shri Piyush Nolakha and that his interaction was limited to marble trading; that he contacted Shri Piyush Nolakha or the persons referred by him only for placing orders; that the latest mobile number of Shri Piyush Nolakha available with him is 8875077003; that the imported goods were

generally sold by him in the range of ₹28,000/- to ₹33,000/- per metric tonne; and that invoices for delivery of imported goods were sent by Shri Piyush Nolakha either personally or through his associates.

6.4 Further statement of Shri Himmat Singh Tanwar, Proprietor of M/s BHM Marble & Granite, was recorded on 28.04.2025 (**RUD-12**). He was confronted with the fact that, in his earlier statement dated 20.12.2024, he had claimed that the firm had imported Rough Marble Blocks and Polished Marble Slabs exclusively through Hong Kong based entities of Shri Piyush Nolakha. However, from the mobile phone of Shri Piyush Nolakha, an invoice No. 10/E dated 15.03.2024 and packing list No. 10/ dated 15.03.2024 issued by M/s Figli Gemignani & Vanelli S.r.l., Italy, were retrieved showing dispatch of Satwario (STATUARIETTO) Marble through container No. HLBU1021276. Upon being shown these documents, he read them and acknowledged his signature. The said invoice reflected dispatch of 29.750 MT of Satwario (STATUARIETTO) Marble under seal No. 2693961. He stated that he had never traded in nor imported Satwario (STATUARIETTO) Marble, as it is very costly and has limited demand in Makrana.

When further confronted that the same container number, seal number and quantity matched exactly with the Bill of Entry No. 3692459 dated 27.05.2024 filed by M/s BHM Marble & Granite, Shri Himmat Singh Tanwar stated that the invoice of M/s Figli Gemignani & Vanelli S.r.l. dated 15.03.2024 was issued to M/s Xclusive Co. Ltd. (a firm of Shri Piyush Nolakha), whereas the goods imported by his firm, as per the Bill of Lading, were loaded on 27.03.2024 and consisted of Rough Marble Blocks. He denied that the goods shown in the Italian supplier's invoice were related to his imports and stated that he did not agree with the coincidence of common container and seal numbers. He insisted that the goods imported by him were correctly valued and matched the Customs documents.

Upon being shown another set of documents invoice No. 10/E dated 10.03.2024 and packing list No. 10/O dated 15.03.2024 issued by M/s Figli Gemignani & Vanelli S.r.l., Italy, along with the Certificate of Origin showing "Rough Marble Block" he acknowledged having perused and signed them. He stated that he had no knowledge of the Certificate of Origin issued by the Italian supplier and reiterated that the Certificate of Origin issued by M/s Xclusive Co. Ltd., Hong Kong, to his firm pertained to Marble Blocks/Slabs and that he had imported only Rough Marble Blocks.

When asked about the sale price of goods imported under BOE 3692459 dated 27.05.2024, he stated that imported goods are not sold immediately and are indistinguishable from local marble in stock; that his sales process is continuous and not segregated; that the goods imported under the said BOE were invoiced to him @ USD 305 PMT, and were sold after adding Customs Duty, freight, inland transport and a profit margin of 10-12%. He further stated that he did not possess any original invoice issued by M/s Figli Gemignani & Vanelli S.r.l., Italy, as the broker/marker, Shri Piyush Nolakha, never disclosed the rates of the actual overseas supplier.

6.5 Further statement of Shri Himmat Singh Tanwar was recorded on 25.09.2025 **(RUD-13)**, wherein he stated that M/s BHM Marble & Granite was engaged in trading of Marble and Granite Blocks and Slabs, procured both locally and through imports from Hong Kong, Turkey and Italy. He stated that imported goods were generally sold to buyers in Makrana, Kishangarh and Bidiyad; that payment for imported goods was made through banks by submitting remittance forms along with cheques; that the broker/marker shared photos/videos of goods prior to order placement; that imported goods were sold at a profit margin of 8-10%; and that after placing orders, he supplied copies of invoices, Bills of Lading and packing lists through post to the CHA/CB for clearance. After clearance, goods were transported to him along with bills and bilty, and payment to the CHA/CB was made through banking channels.

He was confronted with the Bill of Entry No.3692459 dated 27.05.2024, under which M/s BHM Marble & Granite imported two Marble Blocks weighing 29.750 MT from M/s Xclusive Co. Ltd., Hong Kong, via container No. HLBU1021276 bearing seal No. 2693961, valued @ USD 305 PMT (total USD 9073.75), on which customs duty was paid accordingly. From the mobile phone of Shri Piyush Nolakha, an invoice issued by M/s Figli Gemignani & Vanelli S.r.l., Italy, in favour of M/s Xclusive Co. Ltd., Hong Kong, was recovered showing supply of 29.70 MT of Satwario (STATUARIETTO) Marble Blocks through the same container and seal number, valued at EUR 31,335 significantly higher than the invoice submitted by M/s BHM Marble & Granite. After examining both invoices, Shri Himmat Singh Tanwar admitted that the container number, seal number and quantity were identical. He stated that customs duty was paid by them based on the invoice issued by M/s Xclusive Co. Ltd., Hong Kong, and that he could not comment on the invoice issued by the Italian supplier to the Hong Kong entity.

He stated that they primarily import light grey, black and brown marble (Michel Angela, Lasa, etc.); that orders were placed based on photographs/catalogues shared by suppliers/markers including Shri Ashwani Singh, Shri Piyush Nolakha, Shri Abdulla and Shri Omprakash Maheshwari; and that payments were remitted through Canara Bank, Makrana, to the foreign suppliers as per documents submitted.

7. On further scrutiny of the documents retrieved from the electronic devices of Shri Piyush Nolakha, it was revealed that four invoices **(RUD-14)** issued by the Italy-based supplier, M/s Figli Gemignani & Vanelli S.R.L., in favour of M/s Xclusive Co. Ltd., Hong Kong an overseas entity operated and controlled by Shri Piyush Nolakha were recovered. These invoices pertained to the export of marble blocks and, upon verification, were found to be directly linked with specific consignments imported by M/s BHM Marble & Granite. The linkage was conclusively established through matching of container numbers and seal numbers appearing in the said Italian supplier invoices with those reflected in the corresponding Bills of Lading and Bills of Entry filed by M/s BHM Marble & Granite at the time of import. The details of the invoices issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, and the corresponding invoices issued by M/s Xclusive Co. Ltd., Hong Kong, to M/s BHM Marble & Granite, are as under:

A. Details mentioned in the invoice issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong

Invoice No. & Date	Description of goods	Qty. in MT	Rate USD/EURO/MT	Value In USD/EURO	Bill of Lading No.	Container Number	Container Seal No.
10/E dated 15.03.2024	[2Marble Blocks] (of STATUARIE TTO Brand)	29.750	1060(EURO)	(31535EURO)		HLBU1021276	2693961

B. Details mentioned in the invoice issued by M/s Xclusive Co. Ltd., Hong Kong, to M/s. BHM Marble & Granites

Bill of Entry No. & Date	Name of Foreign Supplier	Invoice No. & Date	Description of goods	Rate	Value	Bill of Lading No.	Container Number	Container Seal No.
3692459 dt.27.05.2024	M/s. Xclusive CO LTD, Hong Kong	XC/INV/125/23-24 Dated 29.03.2024	Rough Marble Blocks	305 USD/PMT 29.750 MT(Qty.)	9073.75 USD	2024EM884B/HLC/SPE/MUN	HLBU1021276	2693961

7.1 From the foregoing facts and documentary evidence, it is observed that the initial commercial invoice issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong (an entity operated and controlled by Shri Piyush Nolakha), reflected the shipment particulars as Container No. HLBU1021276, Container Seal No. 2693961, quantity 29.750 MT, description of goods as “Satvario (STATUARIETTO) Marble”, and the unit price as EUR 1,060 per MT. However, in the corresponding invoice issued subsequently by M/s Xclusive Co. Ltd., Hong Kong, to M/s BHM Marble & Granite, the shipment particulars namely, Container Number, Container Seal Number, and quantity remained identical, whereas the description of the goods was altered to “Marble Blocks” and the unit price was significantly reduced to USD 305 per MT. Further, it has been observed that the value declared in the Bills of Entry by the importer (i.e., **USD 305 per MT**, total declared assessable value **USD 9,073.75**) was substantially lower than the value reflected in the original Italian invoices (total value **EUR 31535**), copies of which were retrieved from the mobile phone of Shri Piyush Nolakha. Notably, despite the identical quantity of

29.750 MT and the same container particulars (Container No.: **HLBU1021276**, Seal No.: **2693961**) in both sets of invoices i.e., the invoice issued by the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, and the invoice issued by M/s Xclusive Co. Ltd., Hong Kong, to the Indian importer, M/s BHM Marble & Granite, E-175(A), RIICO Industrial Area, Bidiyad, Makrana, Nagaur, Rajasthan-341542 the description and declared value of the goods were materially altered, thereby indicating deliberate undervaluation and misdeclaration in the import documents.

7.2 It has further been observed that M/s B.H.M. Marble & Granite, had imported **Satvario** (STATUARIETTO) **marble blocks** under the very same container numbers, bearing same seal numbers and quantities, in which higher-quality marble blocks/slabs were originally dispatched by the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong an entity controlled and operated by Shri Piyush Nolakha and were thereafter exported *as such* to India. The entire documentary trail, comprising the original Italian invoices, Bills of Lading, and the corresponding Bills of Entry filed in India, clearly establishes that while the Italian invoices accurately reflected the higher-quality goods along with their true commercial value, the importer, in collusion with M/s Xclusive Co. Ltd., Hong Kong, deliberately undervalued and mis-declared the goods in the import documents filed before Indian Customs at Mundra Port. Specifically, the goods were declared as **“Rough Marble Blocks”** at a substantially lower unit value, instead of the actual **superior-grade Satvario (STATUARIETTO) Marble Blocks** imported in the consignment. The one-to-one correlation between the container numbers and seal numbers appearing in the Italian commercial invoices and those reflected in the Indian import documents conclusively establishes that the same consignments were presented before Indian Customs after altering the description and value. This deliberate mis-declaration and undervaluation appear to have been carried out by the importer, in collusion with the Hong Kong-based entities, with the clear intent to evade payment of legitimate customs duty.

8. Further, the investigation conducted in the cases pertaining to M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology conclusively establishes that substantial amounts of foreign exchange were remitted from India to the overseas bank accounts of M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., Hong Kong—both entities having been incorporated, owned, and operated by Shri Piyush Nolakha. The statements of Shri Piyush Nolakha, corroborated by the digital evidence retrieved from his mobile devices and the corresponding remittance records, clearly confirm that these Hong Kong-based entities were created and controlled by him solely for the purpose of receiving foreign remittances under the false pretext of supply of goods or services, despite the fact that no such supply ever took place. It thus appears that M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd. were deliberately established and utilized by Shri Piyush Nolakha as conduit entities for the laundering of foreign exchange under the façade of international trade transactions, thereby facilitating unauthorized outward remittances and contributing to the evasion of customs duties on goods imported into India.

8.1 The investigation has revealed that the importer, in active connivance with Shri Piyush Nolakha, adopted a deliberate modus operandi to suppress the actual commercial value of imported marble blocks and to evade customs duty by resorting to systematic undervaluation through the use of offshore shell entities controlled by Shri Piyush Nolakha. Evidence recovered during the investigation establishes that (STATUARIETTO)-brand Marble Blocks valued at EUR 1,060 per MT were supplied by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, under Invoice No. 10/E dated 15.03.2024. The said invoice covered 29.75 MT (two marble blocks) stuffed in Container No. HLBU1021276, sealed with Seal No. 2693961, with a gross/net weight of 29.75 MT.

These very goods were subsequently supplied, without any processing, by M/s Xclusive Co. Ltd., Hong Kong, to M/s B.H.M. Marble & Granites (GSTIN: 08AHJPT0801G1ZG), RIICO Industrial Area, Bidiyad, District Makrana, Nagaur, Rajasthan-341542, under Invoice No. XC/INV/125/23-24 dated 29.03.2024. The downstream invoice clearly reflected the same container number (HLBU1021276), the same seal number (2693961), and the same quantity (29.75 MT). However, the goods were declared as "Marble Blocks" at a grossly understated and fictitious value of USD 305 per MT, instead of their actual transaction value of EUR 1,060 per MT. The importer remitted only USD 305 per MT through the official banking channel, whereas the differential amount representing the suppressed value was illicitly remitted through hawala channels, thereby concealing the true price actually paid/payable and facilitating intentional undervaluation and duty evasion.

8.2 Investigation further demonstrates that similar fraudulent modus operandi was adopted by other importers, also in collusion with Shri Piyush Nolakha, wherein high-value marble blocks imported from Italy were routed through the Hong Kong-based shell entity M/s Xclusive Co. Ltd. and supplied to Indian importers at artificially suppressed prices:

(i) Under Invoice No. 9/E dated 15.03.2024, M/s Figli Gemignani & Vanelli S.R.L., Italy, supplied 53.18 MT (four marble blocks of STATUARIETTO VENATO/ STATUARIETTO varieties) valued at EUR 1,060 per MT to M/s Xclusive Co. Ltd., Hong Kong. The goods were stuffed in Container Nos. HLXU1391690 (Seal No. 2692649; weight 28.340 MT) and HLXU1367610 (Seal No. 2694037; weight 24.840 MT). These goods were further supplied as such by M/s Xclusive Co. Ltd., Hong Kong, to M/s Bhagwati Enterprises (GSTIN: 08DHZPS7896R1ZA), Plot No. G-85, RIICO Industrial Area, Bidiyad, Nagaur, Rajasthan-342542, vide Invoice No. XC/INV/124/23-24 dated 29.03.2024, at an undervalued rate of USD 305 per MT, while retaining the same container and seal particulars and the same weights.

(ii) Under Invoice No. 12/E dated 15.03.2024, M/s Figli Gemignani & Vanelli S.R.L., Italy, supplied 58.12 MT (two marble blocks of STATUARIETTO variety) valued at EUR 1,060 per MT to M/s Xclusive Co. Ltd., Hong Kong. The goods were stuffed in two containers—HLXU3541309 (Seal No. A60240; weight 28.500 MT) and HAMU1088921 (Seal No. 2694478; weight 29.620 MT). These goods were then supplied by M/s Xclusive Co. Ltd., Hong Kong, to M/s Wonder Marble Suppliers

(GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, vide Invoice No. XC/INV/127/23-24 dated 29.03.2024, again at an artificially reduced value of USD 305 per MT, with identical container/seal details and weights.

(iii) Under Invoice No. 11/E dated 15.03.2024, M/s Figli Gemignani & Vanelli S.R.L., Italy, supplied 28.45 MT (two marble blocks of STATUARIETTO variety) valued at EUR 1,060 per MT to M/s Xclusive Co. Ltd., Hong Kong. The goods were stuffed in Container No. HAMU1034294 (Seal No. 2694322; weight 28.45 MT). These were subsequently supplied to M/s Galaxy Marble & Granite (GSTIN: 08FXBS6978G1ZP), C/o Mishra Marble, G-245, Industrial Area, Bidiyad, Nagaur, Rajasthan-341542, vide Invoice No. XC/INV/126/23-24 dated 29.03.2024, at the undervalued rate of USD 305 per MT, with all shipment particulars matching the original Italian shipment.

8.3 The above-described flow of goods, documentary trail, identical shipment particulars, suppressed declared prices, and the pattern of dual payments (one through banking channels at USD 305/MT and the balance through hawala) conclusively establish that M/s B.H.M. Marble & Granite, along with other importers, knowingly colluded with Shri Piyush Nolakha in systematically suppressing the actual transaction value of marble blocks imported through Hong Kong-based shell companies controlled by him. The acts of deliberate undervaluation, misdeclaration of value, misclassification/incorrect description, and concealment of the true consideration paid/payable constitute willful suppression and fraudulent conduct with the intent to evade customs duty, thereby attracting penal consequences under the Customs Act, 1962.

9. Whereas, it appears that M/s B.H.M. Marble & Granite, knowingly and with the intent to defraud the Government exchequer, colluded with Shri Piyush Nolakha and deliberately suppressed the actual value of the imported goods, besides mis declaring the true description of the goods. Instead of declaring the imported consignments as high-value Satvario (STATUARIETTO) Marble Blocks/Slabs, as actually shipped by the Italian supplier, the importer willfully declared them merely as “Rough Marble Blocks/Slabs,” thereby concealing their true commercial quality and value.

The evidence gathered during the investigation clearly establishes that M/s B.H.M. Marble & Granite imported Satvario/ STATUARIETTO marble blocks/slabs in the same containers, with identical seal numbers and identical quantities, as those shipped by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong an offshore entity controlled and operated by Shri Piyush Nolakha. The goods were thereafter routed to India without any alteration, and were supplied “as-is” to the importer through the said Hong Kong-based entity.

The documentary trail, comprising the Italian invoices, Bills of Lading, and the corresponding Bills of Entry filed before Indian Customs at Mundra Port, conclusively demonstrates that while the Italian invoices reflected higher-quality Satvario/ STATUARIETTO marble and its true transactional price, the importer

acting in concert with M/s Xclusive Co. Ltd., Hong Kong filed import documents before Indian Customs that grossly undervalued the goods and mis declared their description as ordinary "Marble Blocks/Slabs." This clear one-to-one correlation between the container numbers appearing on the original Italian export invoices and those declared in the Bills of Entry filed by the importer leaves no room for doubt that the consignments were intentionally undervalued and mis declared at the time of import.

Accordingly, it appears that the importer, in collusion with the Hong Kong-based entity controlled by Shri Piyush Nolakha, deliberately mis declared both the value and description of the imported goods with the intent to evade payment of lawful customs duty. The value declared by the importer does not reflect the true and correct transaction value as mandated under Section 14 of the Customs Act, 1962, read with the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, and therefore appears liable for rejection.

10. Rejection of declared value:

10.1 On careful examination of the documentary evidence recovered during the investigation, including the invoices issued by the original Italian supplier, Bills of Lading, overseas supplier confirmations, container- and seal-number correlation, and digital records retrieved from the electronic devices of Shri Piyush Nolakha, it is observed that the value declared by M/s B.H.M. Marble & Granite in the Bills of Entry filed at Mundra Port does not represent the true transaction value as required under Section 14(1) of the Customs Act, 1962 read with Rule 3(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

10.2 The documents originating from the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., unambiguously disclose that the goods actually exported were *high-value Satvario/ STATUARIETTO Marble Blocks* priced at EUR 1060 per MT. However, the importer, in collusion with M/s Xclusive Co. Ltd., Hong Kong an entity controlled by Shri Piyush Nolakha declared the same consignments before Indian Customs at a grossly suppressed value of USD 305 per MT, while mis declaring the goods as ordinary "Rough Marble Blocks."

10.3 A one-to-one correlation between: (i) Container numbers, (ii) Seal numbers, and (iii) Gross/net weights, appearing on the Italian supplier's invoices and the Indian Bills of Entry conclusively establishes that the goods imported into India were the same goods supplied by the Italian exporter. Therefore, the Italian invoices represent the true price paid/payable, whereas the Hong Kong invoices relied upon by the importer reflect a manipulated, artificially deflated, non-genuine value, not indicative of the true commercial transaction.

10.4 Further, investigation has revealed that the importer remitted only USD 305 per MT through official banking channels while arranging for illicit outward remittances through hawala mechanisms for the balance amount, thereby concealing the true consideration actually paid for the imported goods. Such

bifurcated payment arrangements amount to clear violation of Rule 4(2) of the Valuation Rules, which mandates rejection of transaction value where the price is influenced by collusion, fraud, or non-transparent payments.

10.5 In view of the foregoing, and in terms of Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, the declared transaction value of USD 305 per MT appears to be liable for rejection, as the same does not represent the price actually paid or payable for the imported goods and does not satisfy the requirements of “transaction value” as prescribed under Rule 3(1) of the said Rules. From the facts, circumstances, and the totality of evidence available on record including documentary materials, digital data retrieved from electronic devices, banking records, and statements tendered by the concerned individuals it clearly emerges that M/s BHM Marble & Granites have deliberately mis-declared the description of the goods and wilfully suppressed the actual transaction value in respect of various consignments of imported marble blocks, with the intent to evade payment of customs duty. As elaborated in the preceding paragraphs, the values declared before the Customs authorities at the time of clearance at Mundra Port represented only a fraction of the actual consideration, while substantial additional amounts were remitted separately through undisclosed and non-declared channels to the overseas suppliers. Such deliberate bifurcation of payments, along with the concealment of the true commercial value, renders the declared invoice value incapable of acceptance as the “transaction value” as envisaged under Section 14 of the Customs Act, 1962, read with Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. Section 14 of the Customs Act, 1962, read with Rule 3 and the Interpretative Notes thereto, mandates that the assessable value must reflect the entire price actually paid or payable for the imported goods, including any amount paid directly or indirectly to or for the benefit of the foreign supplier. It is therefore evident that the declared values in the present case do not reflect the full consideration paid or payable and are consequently liable for rejection under Rule 12 of the Customs Valuation Rules, 2007.

Since the total consideration actually paid/payable is ascertainable from the contemporaneous Italian invoices, digital evidence, and other corroborative records, the declared value appears to be liable for rejection and the correct assessable value is required to be re-determined under Rule 3 of the Customs Valuation Rules, 2007, based on the true price agreed between the parties and reflecting the full commercial value of the imported goods.

11. RE-DETERMINATION OF VALUE

11.1 Upon rejection of the declared transaction value under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, the assessable value of the imported goods is required to be re-determined strictly in accordance with the sequential methodology prescribed under Rules 4 to 9 of the said Rules, as mandated under Rule 3(4). In the present case, authenticated and contemporaneous documentary evidence is available in the form of invoices issued by the original overseas manufacturer-exporter, clearly indicating the actual commercial value of

identical goods exported under comparable circumstances. As the contemporaneous price of identical goods exported by the same Italian supplier on the same date to M/s Xclusive Co. Ltd., Hong Kong through whom the impugned consignments were routed to India is readily available and reliable, the provisions of Rule 4 (Transaction Value of Identical Goods) squarely apply to the present case.

11.2 The invoices issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, namely Invoice Nos. 10/E, 9/E, 11/E and 12/E, all dated 15.03.2024, constitute primary, contemporaneous, and credible evidence of the price actually charged by the manufacturer-exporter for identical Satvario/STATUARIETTO marble blocks/slabs. These invoices uniformly reflect a commercial price of EUR 1,060 per MT, demonstrating that identical goods of the same quality, grade, dimensions, and commercial characteristics were exported from Italy and subsequently routed to India through M/s Xclusive Co. Ltd., Hong Kong an offshore entity operated and controlled by Shri Piyush Nolakha. These invoices represent genuine arm's-length transactions and fulfil all statutory conditions stipulated under *Rule 4(1) and Rule 4(2)* for acceptance as the transaction value of identical goods.

11.3 Accordingly, the assessable value of the impugned consignments is proposed to be re-determined under Rule 4, based on the clearly established transaction value of identical goods exported by the original supplier, at EUR 1,060 per MT, subject to permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable.

11.4 In the alternative, and without prejudice to the above, even if it is hypothetically assumed that the application of Rule 4 is not feasible for any reason, the assessable value would in any event be determinable under the provisions of Rule 9 (Residual Method). This is because the commercial documentation obtained from the Italian exporter, coupled with the evidence recovered from the electronic devices of Shri Piyush Nolakha, unambiguously demonstrates that the true transaction value of the imported goods is EUR 1,060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable, and not the grossly suppressed value of USD 305 per MT declared by the importer. Under Rule 9, the value must be determined using reasonable means consistent with the principles and general provisions of the Valuation Rules and Section 14 of the Customs Act, 1962, which again leads to the same conclusion namely, that the actual commercial value of the goods is EUR 1060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable.

11.5 Accordingly, for the purposes of Section 14 of the Customs Act, 1962, the assessable value of the impugned Satvario/ STATUARIETTO Marble Blocks/Slabs is proposed to be re-determined at EUR 1060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable, being the true price paid or payable for the goods in the ordinary course of international trade.

11.6 Further, it is observed that the importer had been consistently importing similar goods from the same overseas suppliers and at identical declared prices. This recurring pattern indicates that, even in respect of the earlier consignments, the importer appears to have adopted the same modus operandi, involving deliberate mis-declaration of the description of the goods and suppression of the actual assessable value in relation to imported marble blocks/slabs. The repeated uniformity of the declared values, when examined in conjunction with the contemporaneous evidence unearthed during the investigation, reinforces the conclusion that the earlier consignments were likewise undervalued through partial and concealed payments made outside the declared banking channels. Accordingly, applying the same rationale and valuation principles, the correct assessable value of the consignments listed in **Table-A**, imported by the Noticee in the past through per Bill of Entries (**RUD-15**), has also been re-determined on the same basis at EURO 1060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable, derived from the contemporaneous Italian invoices, digital evidence, and other corroborative records, in terms of Section 14 of the Customs Act, 1962, read with Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. Consequently, the differential customs duty arising due to such re-determination of assessable value is liable to be recovered from the importer under Section 28(4) of the Customs Act, 1962, along with interest under Section 28AA, and rendering the importer liable for penal action under Sections 112(a), 114A and 114AA of the Customs Act, 1962.

Table-A

Sr. No.	Bill of Entry No & date	Name Of Foreign Supplier	Declared Assessable value (CIF) in Rs.as per BOE
1	4116579 dated 28.05.2021	M/s. Dipika Gems Hongkong	1811895
2	5971204 dated 23.10.2021	M/s. Blue Eye Stone ltd. Taiwan	2746774.64
3	6140067 dated 06.11.2021	M/s. Roxfaces General Trading-FZE, UAE	1440597.22
4	6179020 dated 09.11.2021	M/s. Elite International Hongkong	597603
5	6179035 dated 09.11.2021	M/s. Elite International Hongkong	1590350
6	6407509 dated 25.11.2021	AS Global Elektronik Medical Makina TIC Ltd.Turkey	1441206
7	7407990 dated 08.02.2022	Marmor Madencilik Ve Dis Ticaret Ltd, Sti,Turkey	2125327.82
8	7966614 dated 22.03.2022	M/s. Elite International Hongkong	1167657

9	8133408 dated 04.04.2022	M/s. Elite International Hongkong	1434600
10	8458123 dated 28.04.2022	M/s. Elite International Hongkong	1122387
11	8737631 dated 19.05.2022	M/s. D.P. Designs Ltd. Hongkong	684341
12	9261801 dated 24.06.2022	M/s. Elite International Hongkong	1252465.61
13	9384520 dated 02.07.2022	M/s. Dipika Gems Hongkong	1590300.9
14	2364252 dated 09.09.2022	M/s. D.P. Designs Ltd. Hongkong	1607331
15	3185153 dated 05.11.2022	M/s. Elite International Hongkong	833150.49
16	2191310 dated 17.02.2024	M/s. Villa Morae co Ltd. Hongkong	575009.75
17	2848991 dated 02.04.2024	M/s. Villa Morae co Ltd. Hongkong	798124.38
18	3692459 dated 27.05.2024	M/s. Xclusive Co Ltd. Hongkong	852004.98
19	4107859 dated 21.06.2024	M/s. Xclusive Co Ltd. Hongkong	1849537.06
20	4719855 dated 26.07.2024	M/s. Xclusive Co Ltd. Hongkong	1299656.55
21	5399978 dated 03.09.2024	M/s. Xclusive Co Ltd. Hongkong	1518477
22	5492973 dated 09.09.2024	M/s. Xclusive Co Ltd. Hongkong	1057454
23	5950234 dated 04.10.2024	M/s. Xclusive Co Ltd. Hongkong	2693066
			32089316.4

11.7 The invoice No.10/E retrieved from the mobile phone of Shri Piyush Nolakha revealed that the same had been issued on 15.03.2024 by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, for the dispatch of *Satvario (STATUARIETTO) Marble Blocks* valued at EURO 1060 per MT. Subsequently, M/s Xclusive Co. Ltd., Hong Kong issued Invoice No. XC/INV/125/23-24 dated 29.03.2024, dispatching the same goods at a declared value of USD 305 per MT. Accordingly, the rate of marble blocks in USD per MT was derived as under:

Table-B

BOE & date	Rate of Satvario (STATUARIETTO) Marble Blocks/PMT as Per Invoice No. XC/INV/125/	Rate of Satvario (STATUARIETTO) Marble Blocks/PMT as Per Invoice No.10/E dated 15.03.2024 issued by M/s	Exchange rate of Euro on 27.05.2024 i.e., on date of Bill of entry	Value of Satvario (STATUARIETTO) Marble Blocks/PMT in Rupees (4x5)	Exchange rate of USD on 27.05.2024 i.e., on date of Bill of entry filed	Rate of Satvario (STATUARIETTO) Marble Blocks/
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	23-24 dated 29.03.2024 issued by M/s Xclusive Co. Ltd., Hong Kong to M/s. B.H.M. MARBLE & GRANITES	Figli Gemignani & Vanelli S.R.L., Italy to M/s Xclusive Co. Ltd., Hong Kong	filed by M/s. B.H.M. MARBLE & GRANITE S		by M/s. B.H.M. MARBLE & GRANITE S	PMT in USD (6 ÷ 7)
2	3	4	5	6	7	8
3692459 dt.27.05 .2024	305 USD/PMT	1060 EURO/PMT	Rs.92.6	Rs.98156/P MT	Rs.84.35	1163.6 7 USD/P MT

11.8 The assessable value (CIF) have been recalculated (**Table- C**) by re-determining the actual value of Marble Block as **1163.67 USD** Per/MT based on the invoice No.10/E dated 15.03.2024 by the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., Italy to M/s Xclusive Co. Ltd., Hong Kong.

Table-C

Sl No.	BOE & Date	Rate of Mar ble bloc k P/ MT in USD	Qty. In MT	Value in USD (3x4)	Exchan ge Rate of USD on the date of filing of BOE	Val ue in Rs. (5x 6)	Frei ght in Eur o/U SD	Exch ange Rate of USD on the date of filing of BOE	Frei ght in Rs. (8x9)	Valu e +freig ht in Rs. (7+1 0)	11x1.12 5%(Insu rance)	CIF Value (11+12)	Rate of Marble block P/MT in USD/E URO as per BOE
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	41165 79 dt. 28.05. 2021	116 3.7	12 0. 9	1406 87.70 3	74.1	104 249 58. 79	-	-	-	1042 4958 .79	117280. 7864	10542239 .58	200 USD
2	59712 04 dt. 23.10. 2021	116 3.7	17 9. 2	2084 94.75 4	75.80	158 039 02. 35	0	75.8 0	0	1580 3902 .35	177793. 9014	15981696 .25	200 USD
3	61400 67 dt. 06.11. 2021	116 3.7	94 .2 8	1097 10.80 8	75.55	828 865 1.5 1	0	75.5 5	0	8288 651. 51	93247.3 2953	8381898. 84	200 USD
4	61790 20 dt. 09.11. 2021	116 3.7	27 .0 5	3147 7.273 5	75.55	237 810 8.0 1	134 5	75.5 5	1016 14.8	2479 722. 76	27896.8 8108	2507619. 64	240 USD

5	61790 35 dt. 09.11. 2021	116 3.7	71 .6	8331 8.772	75.55	629 473 3.2 2	403 5	75.5 5	3048 44.3	6599 577. 47	74245.2 4659	6673822. 72	235 USD
6	64075 09 dt. 25.11. 2021	116 3.7	94 .8 9	1104 14.82 8	75.10	829 215 3.5 8	0	75.1 0	0	8292 153. 58	93286.7 2776	8385440. 31	200 USD
7	74079 90 dt. 08.02. 2022	116 3.7	13 6. 2	1585 38.40 1	75.75	120 092 83. 86	105 60	75.7 5	7999 20	1280 9203 .86	144103. 5434	12953307 .40	127 USD
8	79666 14 dt. 22.03. 2022	116 3.7	45 .9	5341 2.453	76.90	410 741 7.6 4	358 0	76.9 0	2753 02	4382 719. 64	49305.5 959	4432025. 23	250 USD
9	81334 08 dt. 04.04. 2022	116 3.7	57 .8 6	6732 9.946 2	76.90	517 767 2.8 6	315 0	76.9 0	2422 35	5419 907. 86	60973.9 6346	5480881. 83	265 USD
1 0	84581 23 dt. 28.04. 2022	116 3.7	41 .9 8	4885 0.866 6	77.15	376 884 4.3 6	308 6	77.1 5	2380 84.9	4006 929. 26	45077.9 5415	4052007. 21	270 USD
1 1	87376 31 dt. 19.05. 2022	116 3.7	26 .0 3	3029 0.330 1	77.05	233 386 9.9 3	164 3	77.0 5	1265 93.2	2460 463. 08	27680.2 097	2488143. 29	275 USD
1 2	92618 01 dt. 24.06. 2022	116 3.7	55 .3	6435 0.951	78.95	508 050 7.5 8	440 0	78.9 5	3473 80	5427 887. 58	61063.7 3529	5488951. 32	205 USD
1 3	93845 20 dt. 02.07. 2022	116 3.7	55 .6	6470 0.052	78.95	510 806 9.1 1	440 0	78.9 5	3473 80	5455 449. 11	61373.8 0244	5516822. 91	280 USD
1 4	23642 52 dt. 09.09. 2022	116 3.7	55	6400 1.85	80.45	514 894 8.8 3	440 6	80.4 5	3544 62.7	5503 411. 53	61913.3 7974	5565324. 91	280 USD
1 5	31851 53 dt. 05.11. 2022	116 3.7	26 .4	3072 0.888	83.80	257 441 0.4 1	220 0	83.8 0	1843 60	2758 770. 41	31036.1 6716	2789806. 58	290 USD
1 6	21913 10 dt. 17.02. 2024	116 3.7	21 .4 1	2491 4.174 7	83.90	209 029 9.2 6	250	83.9 0	2097 5	2111 274. 26	23751.8 3539	2135026. 09	305 USD
1 7	28489 91 dt. 02.04. 2024	116 3.7	29 .5 9	3443 2.995 3	84.00	289 237 1.6 1	375	84.0 0	3150 0	2923 871. 61	32893.5 5556	2956765. 16	305 USD
1 8	36924 59 dt. 27.05. 2024	116 3.7	29 .7 5	3461 9.182 5	84.35	292 012 8.0 4	925	84.3 5	7802 3.75	2998 151. 79	33729.2 0768	3031881. 00	305 USD

19	41078 59 dt. 21.06. 2024	116 3.7	62 .3 8	7258 9.734 6	84.30	611 931 4.6 3	270 0	84.3 0	2276 10	6346 924. 63	71402.9 0205	6418327. 53	305 USD
20	47198 55 dt. 26.07. 2024	116 3.7	44 .6 5	5195 7.865 5	84.55	439 303 7.5 3	160 0	84.5 5	1352 80	4528 317. 53	50943.5 7219	4579261. 10	305 USD
21	53999 78 dt. 03.09. 2024	116 3.7	52 .9	6155 8.143	84.85	522 320 8.4 3	158 0	84.8 5	1340 63	5357 271. 43	60269.3 0363	5417540. 74	305 USD
22	54929 73 dt. 09.09. 2024	116 3.7	35 .2 6	4103 1.004 2	84.9	348 353 2.2 6	158 0	84.9	1341 42	3617 674. 26	40698.8 3539	3658373. 09	305 USD
23	59502 34 dt. 04.10. 2024	116 3.7	92 .5 3	1076 74.38 5	84.85	913 617 1.5 8	320 0	84.8 5	2715 20	9407 691. 58	105836. 5302	9513528. 11	305 USD
Total						13 30 49 59 5	55 01 5	1759 291	4355 291	1374 0488 6	154580 4.97	1389506 90.8	-

11.9 Further, the revised duty liability taking the re-determined assessable value, the Freight and Insurance as applicable, has been worked out as **detailed in Table-D (in Col. No.11)**:

Table-D

All Value in Rs.											
Sl. No.	Bill of Entry No & date	Name Of Foreign Supplier	Declared Assabl e value (CIF) in Rs.as per BOE	Applicable Purchase Value (CIF) Euro/USD to INR as per applicable exchange rate) 5 (as per table A Col. No.13)	Differ entia l Assabl e Valu e (CIF) (5-4)	BCD @40 % on differe ntial Value (6*40%)	SWS 10% of BCD (7*10 %)	Value for Deter mining IGST (6+7+8)	IGST @ 12% of (9*12%))	Total Duty short Paid (7+8+10)	
1	2	3	4	5	6	7	8	9	10	11	
1	4116579 dated 28.05.2021	M/s. Dipika Gems Hongkong	1811895	10542239.58	8730344.58	3492137.832	-	12222482.41	1466697.889	4958835.721	

2	5971204 dated 23.10.202 1	M/s. Blue Eye Stone ltd. Taiwan	2746 774. 64	15981696 .25	1323 4921 .61	52939 68.644	-	18528 890.25	22234 66.83	7517435.4 74
3	6140067 dated 06.11.202 1	M/s. Roxfaces General Trading- FZE, UAE	1440 597. 22	8381898. 84	6941 301. 62	27765 20.648	-	97178 22.268	11661 38.672	3942659.3 2
4	6179020 dated 09.11.202 1	M/s. Elite Internation al Hongkong	5976 03	2507619. 64	1910 016. 64	76400 6.656	-	26740 23.296	32088 2.7955	1084889.4 52
5	6179035 dated 09.11.202 1	M/s. Elite Internation al Hongkong	1590 350	6673822. 72	5083 472. 72	20333 89.088	-	71168 61.808	85402 3.417	2887412.5 05
6	6407509 dated 25.11.202 1	AS Global Elektronik Medical Makina TIC Ltd. Turkey	1441 206	8385440. 31	6944 234. 31	27776 93.724	-	97219 28.034	11666 31.364	3944325.0 88
7	7407990 dated 08.02.202 2	Marmor Madencilik Ve Dis Ticaret Ltd, Sti,Turkey	2125 327. 82	12953307 .4	1082 7979 .58	43311 91.832	-	15159 171.41	18191 00.569	6150292.4 01
8	7966614 dated 22.03.202 2	M/s. Elite Internation al Hongkong	1167 657	4432025. 23	3264 368. 23	13057 47.292	-	45701 15.522	54841 3.8626	1854161.1 55
9	8133408 dated 04.04.202 2	M/s. Elite Internation al Hongkong	1434 600	5480881. 83	4046 281. 83	16185 12.732	-	56647 94.562	67977 5.3474	2298288.0 79
10	8458123 dated 28.04.202 2	M/s. Elite Internation al Hongkong	1122 387	4052007. 21	2929 620. 21	11718 48.084	-	41014 68.294	49217 6.1953	1664024.2 79
11	8737631 dated 19.05.202 2	M/s. D.P. Designs Ltd. Hongkong	6843 41	2488143. 29	1803 802. 29	72152 0.916	-	25253 23.206	30303 8.7847	1024559.7 01
12	9261801 dated 24.06.202 2	M/s. Elite Internation al Hongkong	1252 465. 61	5488951. 32	4236 485. 71	16945 94.284	-	59310 79.994	71172 9.5993	2406323.8 83
13	9384520 dated 02.07.202 2	M/s. Dipika Gems Hongkong	1590 300. 9	5516822. 91	3926 522. 01	15706 08.804	-	54971 30.814	65965 5.6977	2230264.5 02
14	2364252 dated 09.09.202 2	M/s. D.P. Designs Ltd. Hongkong	1607 331	5565324. 91	3957 993. 91	15831 97.564	-	55411 91.474	66494 2.9769	2248140.5 41

15	3185153 dated 05.11.2022	M/s. Elite International Hongkong	833150.49	2789806.58	1956656.09	782662.436	-	2739318.526	328718.2231	1111380.659
16	2191310 dated 17.02.2024	M/s. Villa Morae co Ltd. Hongkong	575009.75	2135026.09	1560016.34	624006.536	-	2184022.876	262082.7451	886089.2811
17	2848991 dated 02.04.2024	M/s. Villa Morae co Ltd. Hongkong	798124.38	2956765.16	2158640.78	863456.312	-	3022097.092	362651.651	1226107.963
18	3692459 dated 27.05.2024	M/s. Xclusive Co Ltd. Hongkong	852004.98	3031881	2179876.02	871950.408	-	3051826.428	366219.1714	1238169.579
19	4107859 dated 21.06.2024	M/s. Xclusive Co Ltd. Hongkong	1849537.06	6418327.53	4568790.47	1827516.188	-	6396306.658	767556.799	2595072.987
20	4719855 dated 26.07.2024	M/s. Xclusive Co Ltd. Hongkong	1299656.55	4579261.1	3279604.55	1311841.82	-	4591446.37	550973.5644	1862815.384
21	5399978 dated 03.09.2024	M/s. Xclusive Co Ltd. Hongkong	1518477	5417540.74	3899063.74	1559625.496	-	5458689.236	655042.7083	2214668.204
22	5492973 dated 09.09.2024	M/s. Xclusive Co Ltd. Hongkong	1057454	3658373.09	2600919.09	1040367.636	-	3641286.726	436954.4071	1477322.043
23	5950234 dated 04.10.2024	M/s. Xclusive Co Ltd. Hongkong	2693066	9513528.11	6820462.11	2728184.844	-	9548646.954	1145837.634	3874022.478
Total			32089316.4	138950690.8	106861374.4	42744549.78	0	149605924.2	17952710.91	60697260.68

*** SWS exempted on marble blocks of CTH 25151210, w.e.f.02.02.2021 vide notf.No.14/2021 dt.01.02.2024**

12. In view of the foregoing facts and the evidence placed on record, the total assessable value of the imported goods, upon re-determination in terms of Section 14 of the Customs Act, 1962 read with Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, appears to be ₹**13,89,50,691/-**, Consequently, the re-determined customs duty liability works out to ₹**6,06,97,261/-**, as detailed in the computation table above.

The modus operandi adopted by the Noticee in collusion with Shri Piyush Nolakha involved: (i) procuring genuine invoices from the actual Italian suppliers reflecting the true value of the imported marble blocks; (ii) deliberately suppressing these genuine invoices and instead presenting undervalued invoices issued through

the Hong Kong-based conduit entities before Customs authorities; (iii) remitting the differential and illicit foreign exchange to these conduit companies under the false pretext of import-related service payments; and (iv) thereby systematically undervaluing the imported goods, suppressing the actual assessable value, and evading legitimate customs duty.

The deliberate use of these overseas entities—incorporated, owned, and controlled by Shri Piyush Nolakha for unauthorized foreign remittances, coupled with the intentional undervaluation of imports, clearly establishes a planned, coordinated, and fraudulent scheme devised to mislead Customs authorities and appears to have resulted in the evasion of lawful duty liability amounting to **₹6,06,97,261/-** by M/s B.H.M. Marble & Granite, merits to be recovered under the provisions of Section 28(4) of the Customs act, 1962 along with interest under Section 28AA of the Customs Act, 1962.

13. In view of the above findings, it prima facie appears that the Noticee mis declared and undervalued the imported goods by suppressing the actual transaction value and by intentionally presenting fabricated and undervalued invoices routed through Hong Kong-based conduit entities. Such misdeclaration of the value of imported goods renders the goods liable for confiscation under Section 111(m) of the Customs Act, 1962, as the declared value does not represent the price actually paid or payable and is inconsistent with the provisions of Section 14 of the Customs Act, 1962 read with the Customs Valuation Rules, 2007.

14. Further, by intentionally suppressing the genuine supplier invoices, fabricating and utilizing undervalued invoices, and engaging in unauthorized outward remittances under the false pretext of import-related service payments, the Noticee has wilfully attempted to evade customs duty. Such acts constitute contravention of the provisions of the Customs Act, 1962, and render the Noticee liable to the payment of duty short-levied, along with applicable interest, under Section 28(4) of the Customs Act, 1962, as the undervaluation appears to have been carried out by way of collusion, deliberate misstatement, and suppression of facts. Sh. Himmat Singh Tanwar, being Proprietor of M/s B.H.M. Marble & Granite, E-175(A), RIICO Industrial Area, Bidiyad, Makrana, Nagaur, Rajasthan-341542 is thus, liable for penalty Section 114A of the Customs Act, 1962.

15. The acts of presenting undervalued invoices, suppressing genuine commercial documents, and causing evasion of duty fall squarely within the ambit of Section 112(a) of the Customs Act, 1962. M/s B.H.M. Marble & Granite, having undertaken and abetted acts and omissions which rendered the goods liable for confiscation under Section 111(m), is therefore liable to penalty under Section 112(a) for knowingly engaging in and facilitating the evasion of customs duty.

16. It further appears that M/s B.H.M. Marble & Granite wilfully used false and fabricated documents namely undervalued invoices generated through overseas entities controlled by Shri Piyush Nolakha before the Customs authorities, knowing or having reason to believe that the said documents were false and did not represent

the actual transaction value. Such conduct attracts the penal provisions of Section 114AA of the Customs Act, 1962, which provide for penalty for the use of false and incorrect material, statements, or declarations in any Customs-related proceeding.

17. Whereas, the investigation has revealed that Shri Piyush Nolakha knowingly enabled and assisted M/s B.H.M. Marble & Granite, E-175(A), RIICO Industrial Area, Bidiyad, Makrana, Nagaur, Rajasthan-341542, in suppressing the actual transaction value and in mis declaring the description/classification of the imported marble blocks. It further appears that Shri Piyush Nolakha, through the deliberate creation and control of overseas conduit entities such as M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., Hong Kong, facilitated the issuance of undervalued invoices and enabled the routing of unauthorized foreign remittances under the false cover of international trade transactions. The evidence on record shows that these entities were intentionally established and operated by him for the purpose of laundering foreign exchange, concealing the true value of the imports, and thereby facilitating evasion of customs duty by the importer. By engaging in acts and omissions which rendered the goods liable to confiscation under Section 111(m) of the Customs Act, 1962, and by knowingly using and causing to be used false and fabricated documents before Customs authorities, Shri Piyush Nolakha appears to be liable for penal action under Sections 112(a) and 114AA of the Customs Act, 1962.

18. Now, therefore, **M/s B.H.M. Marble & Granite**, E-175(A), RIICO Industrial Area, Bidiyad, Makrana, Nagaur, Rajasthan-341542 through its Proprietor, Sh. Himmat Singh Tanwar is hereby required to show cause to the Commissioner of Customs, Customs House, Mundra, within 30 (thirty) days of the receipt of this Show Cause Notice, as to why:

(i) The declared assessable value of **₹3,20,89,316/-** (Rupees Three Crore Twenty Lakh Eighty Nine Thousand Three Hundred and Sixteen only) as indicated in Table-D (Column No. 4), should not be rejected under Section 14 of the Customs Act, 1962 read with Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, and the same should not be re-determined as Rs. **13,89,50,691/-** (Rupees Thirteen Crore Eighty Nine Lakh Fifty Thousand Six Hundred and Ninety One only), as shown in Table-C (Column No. 13).

(ii) The goods having total assessable value of Rs. **13,89,50,691/-** (Rupees Thirteen Crore Eighty Nine Lakh Fifty Thousand Six Hundred and Ninety One only), as shown in Table-C (Column No. 13), imported by M/s B.H.M. Marble & Granite by undervaluing and mis-declaring them to Customs Authorities as discussed supra, should not be held liable for confiscation in terms of **Sections 111(m)** of the Customs Act, 1962.

(iii) The differential Customs duty amounting to Rs. **6,06,97,261/-** (Rupees Six Crore Six lakh Ninety Seven Thousand Two Hundred and Sixty One only) as reflected in Table-D (Column No. 11), should not be demanded and recovered from them under Section 28(4) of the Customs Act, 1962, on the grounds that the duty was short-

levied by reason of collusion, wilful misstatement, and suppression of facts along with interest under Section 28AA of the Customs Act, 1962.

19. Now, therefore, **Sh. Himmat Singh Tanwar, Proprietor of M/s B.H.M. Marble & Granite**, E-175(A), RIICO Industrial Area, Bidiyad, Makrana, Nagaur, Rajasthan-341542 is hereby required to show cause to the Commissioner of Customs, Customs House, Mundra, within 30 (thirty) days of the receipt of this Show Cause Notice, as to why:

(i) Penalty should not be imposed upon them under Section 112(a), 114A and 114AA of the Customs Act, 1962, for having knowingly and wilfully suppressed the actual value of the imported goods and for having caused the evasion of customs duty by way of misdeclaration and undervaluation.

20. Now, therefore, **Shri Piyush Nolakha**, owner and controller of the overseas entities' M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., Hong Kong, *Shri Piyush Nolakha, Flat No. D-001, Jewel of India, Malviya Nagar, Jaipur-302017*, is hereby required to show cause to the Commissioner of Customs, Customs House, Mundra, within 30 (thirty) days of the receipt of this Show Cause Notice, as to why:

(i) Penalty should not be imposed upon him under **Section 112(a)** of the Customs Act, 1962, for knowingly engaging in and abetting acts and omissions which rendered the imported goods liable for confiscation under Section 111(m) of the Customs Act, 1962; and

(ii) Penalty should not be imposed upon him under **Section 114AA** of the Customs Act, 1962, for knowingly using and causing to be used false and fabricated invoices and documents before the Customs authorities, with the intent to mislead the Department and facilitate evasion of customs duty.

21. The noticees are further called upon to intimate in writing as to whether they wish to be heard in person by the adjudicating authority before the case is adjudicated within 30 days from the date of receipt of this show cause notice. If no reply of this notice is received and / or they fail to appear before the adjudicating authority, when the case is posted for hearing, the case will be decided ex-parte on the basis of the evidences available on record without any further notice to them.

22. The department reserves the right to add, amend, modify, delete any part or the portion of this notice any such addendum, amendment, modification, deletion, if made, shall be deemed to be part and parcel of this notice.

23. The noticee have the option to avail the facility under the provisions of Section 28(5) of the Customs Act, 1962, which reads "*where any duty has not been levied or not paid or has been short-levied or short-paid or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded by reason of collusion or any willful mis-statement or suppression of facts by the importer or the*

exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under sub-section (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under Section 28AA and the penalty equal to fifteen percent of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing” and get the proceedings initiated by this Notice concluded under the provisions of Section 28(6) of the Customs Act, 1962.

24. Documents relied upon are attached to this Show Cause Notice. A link to download all the Relied Upon documents shall be shared through email id: adj-mundra@gov.in to the email IDs of the Noticees available in records.

Enclosure(s)

- 1. Annexure-R (List of Relied Upon Documents)**
- 2. All the Relied Upon Documents (RUDs)**

Digitally signed by
Nitin Saini
Date: 06-05-2026
11:04:17

(Nitin Saini)
Commissioner of Customs
Customs House, Mundra

F.No. GEN/ADJ/COMM/251/2026-Adjn

By Speed Post A.D./E-mail To: -

Noticees;

1. Sh. Himmat Singh Tanwar, Proprietor Of,
M/S B.H.M. Marble & Granite,
Riico Ind. Area, Bidiyad, Makrana,
Nagaur Rajasthan 341542

2. Shri Piyush Nolakha, Flat No. D-001,
Jewel of India, Malviya Nagar,
Jaipur-302017

Copy, for information and necessary to the:

- (1) Commissioner of Customs (Preventive) Jodhpur, Hqrs. At Jaipur**
- (2) Guard File**

Annexure-R (Relied Upon Documents)	
Sr. No.	Description
1	15CB Certificates issued by Shri Ravindra Kumar, covering remittances amounting to Rs. 75,09,51,102/-, pertaining to transfers made to M/s D.P. Designs Ltd., Hong Kong.
2	Statement dated 22.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
3	Statement dated 24.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
4	Statement dated 25.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
5	Screenshots recovered from the mobile phone of Shri Piyush Nolakha, pertaining to 'Inward Remittance Enquiry' of M/s D.P. Designs Ltd., Hong Kong, reflecting inward remittances received from M/s Belstar Techno Solutions (OPC) Pvt. Ltd., located at Jaipur, Visakhapatnam, and Bhubaneswar.
6	Statement dated 26.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
7	Statement dated 27.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
8	Statement dated 28.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
9	Statement dated 29.07.2024 of Shri Piyush Nolakha of M/s D.P. Designs Ltd., Hong Kong.
10	Summary of foreign remittances received from Indian firms, as per the bank statements of Shri Piyush Nolakha.
11	Statement dated 20.12.2024 of Shri Himmat Singh Tanwar, Proprietor of M/s BHM Marble & Granite, E-175(A), Industrial Area, Bidiyad, Nagaur.
12	Statement dated 28.04.2025 of Shri Himmat Singh Tanwar, Proprietor of M/s BHM Marble & Granite, E-175(A), Industrial Area, Bidiyad, Nagaur.
13	Statement dated 25.09.2025 of Shri Himmat Singh Tanwar, Proprietor of M/s BHM Marble & Granite, E-175(A), Industrial Area, Bidiyad, Nagaur.
14	Four invoices issued by M/s Figli Gemignani & Vanelli S.R.L. in favour of M/s Xclusive Co. Ltd., Hong Kong.
15	Bills of Entry.